Examining the May Jobs Report

The Administration has been working hard to tout the jobs numbers released for May. On the surface, it sounds pretty good – 431,000 jobs added in our nation. The problem is, 411,000 of these positions were temporary positions with the once-a-decade U.S. census, and as described this week in an article in the Politico, “not the kind of employment that can drive a sustained economic recovery.”

That means only 20,000 private-sector jobs were added, and the number of people who have been out of work for 27 weeks or longer (long-term unemployed) remained the same as the month before at 6.8 million.

Now, some people might say that adding jobs to the economy is a good thing whether it’s with the government or not. The problem is, this Administration and this Congress are passing bills that take more and more money out of the private sector and put it into government.   Since the “stimulus” bill passed in February of 2009, the private sector has lost nearly 2.6 million jobs while the federal government has gained 182,000. The experts say we can’t keep going down this road without ruin.

A USA Today analysis of government data found that paychecks from private business shrank to their smallest share of personal income in U.S. history while government-provided benefits rose to a record high. The report said: “‘The trend is not sustainable,’ says University of Michigan economist Donald Grimes. Reason: The government depends on private wages to generate income taxes to pay for its ever-more expensive programs. ‘Government-generated income is tax at a lower rates or not at all,’ he says. ‘This is really important,’ Grimes said.”

Other, related consequences for the massive spending by our government are setting in. Record debt is reducing GDP and is costing as many as 1 million U.S. jobs, according to the Department of Labor. Furthermore, estimates show that later this year debt is expected to reach $13.6 trillion, or 93.1 percent of GDP. University of Maryland Professor Carmen Reinhart, who is also a member of both the National Bureau of Economic Research and Center for Economic Policy Research, recently warned the National Commission on Fiscal Responsibility that debt loads above 90 percent of GDP result in a reduction in economic growth of one percentage point.

This massive debt is preventing us from creating the jobs America needs. As I’ve said time and again, you can’t spend your way out of a recession – especially when you don’t have any money. These reports are yet another warning that Congress cannot continue to pass unpaid-for spending without further hurting our recovery.

A Gallup poll released Friday showed that Americans are keenly aware of the harm the debt is causing. A total of 79% of Americans now view the federal debt as a serious threat to the “future well being” of the country – an identical number to those viewing terrorism as a serious threat.

Despite these clear warning signs about the threat posed by legislation that wrangles us more into debt, the liberal

Democrats in Congress continue to take our country on a runaway spending spree. Two weeks ago, they voted to add another $54 billion to the deficit rather than do the hard work and find spending cuts. This is on top of the bailouts and the so-called “stimulus” bill that added hundreds of billions of dollars to our debt. Enough is enough. We have to send a clear message to the Majority that they no longer have access to the country’s credit card with no spending limit. I, for one, plan on speaking out forcefully and often against this misguided agenda.

Please feel free to contact my office if we can be of assistance to you or your family. You can contact my office by mail, email or phone.